

EXHIBIT A

E-filed on May 14, 2007

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Attorneys for USACM Liquidating Trust

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re:

USA COMMERCIAL MORTGAGE
COMPANY,

USA CAPITAL REALTY ADVISORS, LLC,

USA CAPITAL DIVERSIFIED TRUST DEED
FUND, LLC,

USA CAPITAL FIRST TRUST DEED FUND,
LLC,

USA SECURITIES, LLC.

Debtors.

Case No. BK-S-06-10725-LBR
Case No. BK-S-06-10726-LBR
Case No. BK-S-06-10727-LBR
Case No. BK-S-06-10728-LBR
Case No. BK-S-06-10729-LBR

CHAPTER 11

Jointly Administered Under Case
No. BK-S-06-10725-LBR

**DECLARATION OF GEOFFREY L.
BERMAN IN SUPPORT OF MOTION
TO APPROVE COMPROMISE UNDER
RULE 9019**

Affects:

- ☐ All Debtors
- ☒ USA Commercial Mortgage Company
- ☐ USA Capital Realty Advisors, LLC
- ☐ USA Capital Diversified Trust Deed Fund, LLC
- ☐ USA Capital First Trust Deed Fund, LLC
- ☐ USA Securities, LLC

Geoffrey L. Berman declares under penalty of perjury:

1. I am an adult person competent to testify in court. I make the following statements based upon my personal knowledge except where otherwise indicated.

2. I am the Trustee of the USACM Liquidating Trust ("USACM Trust") pursuant to the Court's Order Confirming the "Debtors' Third Amended Joint Chapter 11 Plan of Reorganization" entered on January 8, 2007 at Docket No. 2376.

3. This declaration is submitted in support of the Motion to Approve Compromise under Rule 9019 /Stipulation Between the USACM LIQUIDATING TRUST

1 and USA CAPITAL FIRST TRUST DEED FUND, LLC on Overbid Allocation and Plan
2 Compromise, filed on May 4, 2007. The Motion seeks approval of an attached Stipulation
3 (the "Stipulation").

4 4. Since I was selected as the Trustee, subject to entry of the confirmation
5 order, I have spent significant time familiarizing myself with the assets and liabilities of
6 the USACM Liquidating Trust as successor to USA Commercial Mortgage Company
7 ("USACM"). I have also spent substantial time familiarizing myself with pending
8 disputes, including disputes left unresolved by confirmation of the Plan.

9 5. I worked with counsel to the USACM Trust to analyze disputes with the
10 Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund,
11 LLC ("FTDF Committee"). Issues between FTDF and USACM were left explicitly
12 unresolved by the Plan, and were subject to further negotiation or litigation. I directed
13 counsel for the USACM Trust to negotiate with the FTDF Committee to attempt to resolve
14 the disputes between the USACM Trust (as successor to USACM) and the FTDF estate
15 with respect to, among other things, allocation of \$9,500,000 in additional sale proceeds
16 from the sale of servicing and other assets to Compass Partners, LLC, the liability of
17 FTDF for certain expenses of administration, including BMC (the claims and noticing
18 agent) and Debtors' professionals, the amount of an unsecured claim to be allowed to
19 FTDF, and other issues.

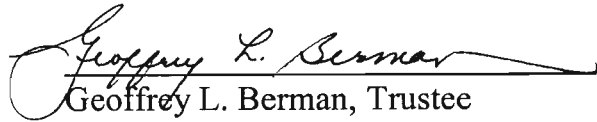
20 6. After preparation with counsel, I participated at an informal settlement
21 conference with the FTDF Committee counsel and financial advisor on April 25, 2007.
22 After several hours of negotiation, the parties reached the settlement contained in the
23 Stipulation attached as Exhibit "A" to the Motion.

24 7. I believe the Stipulation is in the best interests of the USACM Trust. The
25 Stipulation is an agreement that reflects the uncertain outcome of the several disputes with
26 the FTDF Committee, the time and expense of litigation, and other concerns. Reaching a
27 compromise is consistent with the general theme of my work as the Trustee, which is to
28

1 maximize the assets of the USACM Trust while minimizing expenses of administering the
2 Trust and fairly resolving claims. In my view, the resolution of the disputes with the
3 FTDF Committee as set forth in the Stipulation is a fair agreement, without the necessity
4 of the significant cost and expense of litigating the issues and the uncertainty of an
5 outcome determined by the Court, as well as the cost, expense and delay of potential
6 appeals.

7 I declare under penalty of perjury that the foregoing is true and correct.

8 Executed Monday, May 14, 2007 at Los Angeles, California.

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10 
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